

**HOUSING ELEMENT
AND
FAIR SHARE PLAN
OF
WEST ORANGE TOWNSHIP,
ESSEX COUNTY,
NEW JERSEY**

Adopted: November 5, 2008

HOUSING ELEMENT

**West Orange Township
Essex County**

PLANNING BOARD

- Robert Bogoff, Chair
 - Kevin Kruse
 - Ron Weston
 - Joseph Antonucci
 - William B. Wilkes III
 - Tekeste “Cass” Ghebremicael
 - Susan McCartney
 - Jason T. Lester
 - Parimal Jhaveri
- Attorney: Patrick Dwyer, Esq.
 - Planning Director: Susan Borg, A.I.A.
 - Secretary: Elizabeth Kulinich

TOWNSHIP COUNCIL

- John F. McKeon, Mayor
 - Renard Barnes, Council President
 - Sal Anderton
 - Susan McCartney
 - Robert Parisi
 - Patty Spango
- Attorney: Richard Trenk, Esq.
 - Administrator: John K. Sayers

It is certified that all copies of this document are in conformance with the one signed and sealed by Shirley M. Bishop, P.P.

License #2575

Prepared By:
Shirley M. Bishop, P.P., LLC
993 Lenox Drive, Suite 200
Lawrenceville, NJ 08648
609-844-7720
shirleymbishop@aol.com

**WEST ORANGE TOWNSHIP, ESSEX COUNTY
HOUSING ELEMENT**

TABLE OF CONTENTS

	<u>PAGE</u>
PREFACE	1
I. Inventory of Housing Stock	3
A. Age	3
B. Condition.....	3
C. Purchase and Rental Value	5
D. Occupancy Characteristics and Types	7
E. Units Affordable to Low/Moderate Income Households	7
II. Projection of Housing Stock	9
A. Building Permits	9
B. Approvals of Development Applications.....	9
III. Demographic Characteristics	9
A. Population	9
B. Household Size/Type	10
C. Income Level	12
D. Age.....	12
E. Marital Status	12
IV. Existing and Probable Future Employment Characteristics	13
V. Total Obligation For Rehabilitation and From Prior Rounds	14
A. Rehabilitation Share	14
B. Prior Rounds	14
VI. Growth Share Obligation	14

VII.	Analysis of Existing and Future Zoning to Accommodate Growth Projections...	15
A.	Availability of Existing and Planned Infrastructure.....	15
B.	Anticipated Demand for Types of Uses Permitted by Zoning Based on Present and Anticipated Future Demographic Characteristics.....	15
C.	Anticipated Land Use Patterns.....	15
D.	Economic Development Policies.....	15
E.	Constraints on Development	15
1.	State and federal regulations	15
2.	Land ownership patterns.....	15
3.	Incompatible land uses.....	16
4.	Sites needing remediation	16
5.	Environmental constraints.....	16
6.	Existing or planned measures to address any constraints.....	16

**WEST ORANGE TOWNSHIP, ESSEX COUNTY
HOUSING ELEMENT**

LIST OF TABLES

<u>Table</u>	<u>Page</u>
1 Age of Housing Units	3
2 Persons Per Room	4
3 Plumbing Facilities	4
4 Kitchen Facilities	4
5 Owner-Occupied Housing Unit Values	5
6 Contract Rent Values	6
7 Tenure and Vacancy	7
8 2008 Low and Moderate Regional Incomes	8
9 Population	9
10 Population Characteristics	10
11 Household Profile 2000	10
12 Household Type and Relationship	11
13 Type of Housing Units by Structure	11
14 Household Income	12
15 Sex by Marital Status - Persons 15 Years and Over	13
16 Employment Status	13

WEST ORANGE TOWNSHIP
ESSEX COUNTY

HOUSING ELEMENT

PREFACE

West Orange Township is situated in the central portion of Essex County and contains approximately 12.15 square miles or 7,776 acres of land. West Orange is crossed east-west by Interstate Route 280 which provides travelers with easy access to the Garden State Parkway and the New Jersey Turnpike.

Thomas Alva Edison became a resident of West Orange in 1886. In the early 1900s, Edison Industries concentrated on developments in phonograph, film, storage batteries and visual devices. West Orange was the location of the first motion picture, the Great Train Robbery, in 1903. Seventeen hundred films were produced in the area prior to 1930.

Edison Industries continued to be a drawing force until 1929 when the great depression caused the market for phonographs and records to fall sharply. Edison retired as head of Thomas A. Edison Incorporated in 1930 and was succeeded by his son, Charles.

In the period following World War II, West Orange continued to develop. Its population grew rapidly during the post-war “baby boom,” reaching a peak in 1970. Then, as the regional economy weakened and the “baby boom” generation matured, the population declined.

Today, West Orange is primarily a residential community with a large commuting population. Investment, bank, insurance and service firms have replaced most of the manufacturing firms.

The township borders on nine municipalities. These include Montclair, Verona, Essex Fells, Roseland, Livingston, Millburn, Maplewood, South Orange and Orange.

West Orange received second round substantive certification from the Council on Affordable Housing (COAH) on October 11, 1995 that was extended to December 20, 2005 by COAH on February 9, 2005.

A municipality's Housing Element must be designed to achieve the goal of providing affordable housing to meet the total 1987-2018 affordable housing need comprised of COAH's targeted Growth Share, Prior Round Obligation and the Rehabilitation Share. The regulations of COAH, N.J.A.C. 5:97 et seq., delineate a municipality's strategy for addressing its present and prospective housing needs, and, as such, each municipality's Housing Element must contain the following:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to

low and moderate income households and substandard housing capable of being rehabilitated;

2. A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the 10 years subsequent to the adoption of the housing element, taking into account, but not necessarily limited to, construction permits issued, approvals for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including, but not limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. A determination of the municipality's present and prospective fair share for low and moderate income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate income housing;
6. A consideration of the lands that are most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low and moderate income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;
7. A map of all sites designated by the municipality for the production of low and moderate income housing and a listing of each site that includes its owner, acreage, lot and block;
8. The location and capacities of existing and proposed water and sewer lines and facilities relevant to the designated sites;
9. Copies of necessary applications for sewer service and water quality management plans submitted pursuant to Sections 201 and 208 of the Federal Clean Water Act, 33 U.S.C. §1251, et seq.;
10. A copy of the most recently adopted municipal master plan, and where required, the immediately preceding, adopted master plan;
11. For each designated site, a copy of the New Jersey Freshwater Wetlands map where available. When such maps are not available, municipalities shall provide appropriate copies of the National Wetlands Inventory maps provided by the U.S. Fish and Wildlife Service;
12. A copy of appropriate United States Geological Survey Topographic Quadrangles for designated sites; and

13. Any other documentation pertaining to the review of the municipal housing element as may be required by the Council.

I. INVENTORY OF HOUSING STOCK

A. Age

More than 75 percent of the township's housing stock was built prior to 1970. There has been minimal residential construction or only 25 percent from 1970 to 2000. West Orange has a total housing stock of 16,825 units. The median year that a structure was built in West Orange was 1955.

TABLE 1

Age of Housing Units

<u>Dates of Construction</u>	<u>Structures</u>	<u>Percent of Total</u>
1939 or earlier	4,222	.25
1940 – 1949	2,339	.14
1950 – 1959	3,777	.22
1960 – 1969	2,376	.14
1970 – 1979	1,353	.08
1980 – 1989	1,117	.07
1990 – 1998	1,450	.09
1999 - March 2000	191	.01
TOTAL UNITS	16,825	100
Median Year: 1955		

Source: 2000 Census of Population and Housing

Units built before 1949 and contain 1.01 or more persons per room are highly correlated with substandard housing indicators. This is an index utilized by COAH in determining the Rehabilitation Share. In West Orange, 8,561 units or 50 percent of the housing stock was built before 1949. This is generally an important indicator in calculating West Orange's Rehabilitation Share and explains why West Orange's Rehabilitation Share is 324 units.

B. Condition

Rehabilitation Share is the total deficient housing signaled by selected housing unit characteristics unique to each community. It is assumed that units so indicated will be prime candidates for rehabilitation. Characteristics indicating a need for rehabilitation are:

- (1) Persons per Room. 1.01 or more persons per room in housing units built 1939 or before. These are old units that are overcrowded.

- (2) Plumbing Facilities. Inadequate plumbing sufficient for rehabilitation is indicated by incomplete plumbing facilities, i.e., lack of hot and cold piped water, flush toilet or bathtub/shower.
- (3) Kitchen Facilities. Inadequate kitchen facilities signaling rehabilitation are indicated by the non-presence of kitchen facilities within the unit, or the non-presence of one of three components: a sink with piped water, a stove or a refrigerator.

These characteristics of deficient housing are nationally recognized indicators of housing inadequacy. Each one, properly identified and not double-counted or multiplied is enough to signal the call for unit rehabilitation. This is true not solely because the characteristic specified is itself debilitating but rather signals a unit that is either old or missing a basic component of normal housing services. These characteristics exist at the municipal level, are reported by the U.S. Census such that they can be isolated and not over counted, and individually indicate the need for structure rehabilitation.

The age of West Orange's housing stock has been presented in Table 1. Tables 2 through 4 address the other surrogates of deficient housing.

TABLE 2

Persons Per Room

Persons Per Room	Occupied	Owner Occupied	Renter Occupied
1.01 to 1.50	385	136	249
1.51 to 2.00	167	56	111
2.01 or more	45	10	35
TOTAL	597	202	395

Source: 2000 Census of Population and Housing

TABLE 3

Plumbing Facilities

	<u>Total Units</u>
Complete plumbing facilities	16,747
Lacking complete plumbing facilities	78

Source: 2000 Census of Population and Housing

TABLE 4

Kitchen Facilities

Complete kitchen facilities	16,691
Lacking complete kitchen facilities	134

Source: 2000 Census of Population and Housing

Based on the above, COAH has determined that West Orange has 324 housing units that are substandard and occupied by low and moderate income households.

C. Purchase and Rental Value

Approximately 52 percent of the owner-occupied housing units in West Orange had values over \$200,000. The median value was \$203,100.

TABLE 5

Owner-Occupied Housing
Unit Values

	<u>Units</u>	<u>Percent</u>
Less than \$15,000	6	0
\$15,000 - \$19,999	54	0
\$20,000 - \$24,999	29	0
\$25,000 - \$29,999	7	0
\$30,000 - \$34,999	0	0
\$35,000 - \$39,999	10	0
\$40,000 - \$49,999	19	0
\$50,000 - \$59,999	18	0
\$60,000 - \$69,999	5	0
\$70,000 - \$99,999	354	.03
\$100,000 - \$124,999	554	.05
\$125,000 - \$149,999	1,067	.09
\$150,000 - \$174,999	1,626	.14
\$175,000 - \$199,999	1,856	.16
\$200,000 - \$249,999	2,424	.21
\$250,000 - \$299,999	1,721	.15
\$300,000 - \$399,999	1,095	.10
\$400,000 - \$499,999	327	.03
\$500,000 - \$749,999	206	.02
\$750,000 - \$999,999	91	.01
\$1,000,000 or more	45	0
TOTAL	11,514	99*

Median Value \$203,100

Source: 2000 Census of Population and Housing

* Does not add up due to rounding

Of the 4,720 rental units with cash rent in West Orange, 55 percent were rented for \$750 or more per month. The median contract rent was \$788 per month.

TABLE 6

Contract Rent Values

<u>With cash rent:</u>	<u>Units</u>
\$0 - \$ 99	45
\$100 - \$149	47
\$150 - \$199	44
\$200 - \$249	133
\$250 - \$299	69
\$300 - \$349	121
\$350 - \$399	51
\$400 - \$449	33
\$450 - \$499	182
\$500 - \$549	167
\$550 - \$599	275
\$600 - \$649	249
\$650 - \$699	355
\$700 - \$749	340
\$750 - \$999	1,698
\$1,000 - \$1,249	473
\$1,250 - \$1,499	216
\$1,500 - \$1,999	55
\$2,000 - or more	167
Total	4,720
 No cash rent	 159
 Median contract rent	 \$788

Source: 2000 U.S. Census of Population and Housing

D. Occupancy Characteristics and Types

Seventy percent of the housing in West Orange is owner occupied. Approximately 30 percent of the housing stock is rental.

TABLE 7

Tenure and Vacancy

	Housing Units
Total Occupied	16,393
Occupied:	
Owner Occupied	11,514
Renter Occupied	4,879
Vacant:	
For rent	100
For sale only	127
Rented or sold, not occupied	85
For seasonal, recreational, or occasional use	92
For migrant workers	0
Other vacant	28

Source: 2000 Census of Population and Housing

E. Units Affordable to Low and Moderate Income Households

Units are affordable to low and moderate income households if the maximum sales price or rent is set within a COAH specified formula. A moderate income household is a household whose gross family income is more than 50 percent of median income, but less than 80 percent of median income for households of the same size within the housing region. A low income household is a household whose gross family income is equal to or less than 50 percent of median gross household income for a household of the same size within the housing region for West Orange. West Orange is in Region 2, which encompasses Essex, Morris, Union and Warren counties.

Using current regional income limits adopted by COAH, a four person Essex County median household income is estimated at \$83,771. A moderate income four person household would earn a maximum of \$67,017 (80 percent of regional median) and a four person low income household would earn a maximum of \$41,886 (50 percent of regional median).

Income levels for one, two, three and four person households as of 2008 are given below:

TABLE 8**2008 Low and Moderate Regional Incomes**

Income	1 person	2 persons	3 persons	4 persons
Median	\$58,640	\$67,017	\$75,394	\$83,771
Moderate	\$46,912	\$53,613	\$60,315	\$67,017
Low	\$29,320	\$33,508	\$37,697	\$41,886

Source: COAH, 2008 Income Limits

Based on the qualifying formula in N.J.A.C. 5:80-26, the monthly cost of shelter which includes mortgage (principal and interest), taxes, insurance and homeowners or condominium association fees, may not exceed 28 percent of gross monthly household income based on a five percent downpayment. In addition, moderate income sales units must be available for at least three different prices and low income sales units available for at least two different prices. The maximum sales prices must now be affordable to households earning no more than 70 percent of median income. The sales prices must average 55 percent of median income.

Under COAH regulations, rents including utilities, may not exceed 30 percent of gross monthly income. The average rent must now be affordable to households earning 52 percent of median income. The maximum rents must be affordable to households earning no more than 60 percent of median income. In averaging 52 percent, one rent may be established for a low income unit and one rent for a moderate income unit for each bedroom distribution. The utility allowance must be consistent with the utility allowance approved by HUD and utilized in New Jersey. In inclusionary rental developments, 10 percent of the rental units must be affordable to households earning no more than 35 percent of median income.

West Orange currently has the following low and moderate income housing:

<u>Name</u>	<u>Units</u>	<u>Type</u>
Jewish Federation	134	Age-restricted rentals
Degnan House	10	Age-restricted rentals
ARC Group Home	3	Rentals
Mormon Terrace Group Home	6	Rentals
Woodland Valley Senior Home	57	Age-restricted rentals
Dogwood Drive Group Home	4	Rentals
97 Edgewood Avenue Group Home	5	Rentals
Merrywood Drive Group Home	4	Rentals
Pleasant Valley Way Group Home	6	Rentals
4 Wedgewood Drive Group Home	4	Rentals

COAH has given West Orange a rehabilitation obligation of 324 units of which 188 units have been rehabilitated from April 2000 through October 2008.

II. PROJECTION OF HOUSING STOCK

A. Building Permits

According to the New Jersey Department of Labor, Residential Building Permits Issued, 1,073 building permits were issued in West Orange from 1990 through 1999. From 2000 through May 2008, 596 building permits were issued.

B. Future Construction of Low and Moderate Income Housing

West Orange will address the future construction of low and moderate income housing in the Fair Share Plan.

III. DEMOGRAPHIC CHARACTERISTICS

A. Population

The population in West Orange increased by 15 percent between 1990 and 2000. Table 9 illustrates the figures.

TABLE 9

Population

Year	Population
1990	39,103
2000	44,852

Sources: 1990 and 2000 Census of Population and Housing

TABLE 10

Population Characteristics

SELECTED POPULATION CHARACTERISTICS

Forty-nine percent of the West Orange residents are between the ages of 25 and 59 years.

	<u>Number</u>	<u>Percentage</u>
<u>TOTAL POPULATION</u>	44,852	
<u>SEX</u>		
Male	20,920	
Female	23,932	
<u>AGE</u>		
	<u>Male</u>	<u>Female</u>
Under 5 years	1,476	1,483
5 to 17 years	3,733	3,695
18 to 20 years	631	559
21 to 24 years	820	761
25 to 44 years	6,315	6,973
45 to 54 years	3,064	3,325
55 to 59 years	1,106	1,122
60 to 64 years	841	1,088
65 to 74 years	1,446	1,986
75 to 84 years	1,237	1,782
85 years and over	251	1,158

Source: 2000 Census of Population and Housing

B. Household Size and Type

A household profile of West Orange shows that there were 16,861 households with a total household population of 44,852 in 2000. The average number of persons per household was 2.66.

TABLE 11

Household Profile 2000

	<u>Total Number</u>
Households	16,861
Population of households	44,852
Persons per household	2.66

Source: 2000 Census of Population and Housing

TABLE 12**Household Type and Relationship**

In family households:	38,151
householder:	11,698
Male	8,800
Female	2,898
Spouse	9,570
child:	13,416
Natural born/adopt	13,144
step	272
grandchild	557
other relatives	1,090
non-relatives	683
In non-family households:	5,542
householders living alone	4,030
householders not living alone	660
Non-relatives	852
In group quarters:	1,153
Institutionalized population	984
Non-institutionalized population	169

Source: 2000 Census of Population and Housing

TABLE 13**Type of Housing Units by Structure**

Units in Structure	Total Units	PCT
1, detached	9,579	.57
1, attached	1,644	.10
2	1,794	.11
3 or 4	1,243	.07
5 to 9	719	.04
10 to 19	400	.02
20 to 49	237	.01
50 or more	1,203	.07
Mobile home or trailer	6	0
Other	0	0
TOTAL	16,825	98*

Source: 2000 Census of Population and Housing

*Does not add up due to rounding

C. Income Level

Approximately, 57 percent of the households in West Orange earn over \$60,000 according to the 2000 census. The median household income was \$69,254.

TABLE 14
Household Income

<u>Household Income</u>	<u>Number</u>	<u>Percent</u>
\$0 –9,999	829	.05
\$10,000-\$14,999	602	.04
\$15,000-\$19,999	642	.04
\$20,000-\$24,999	587	.04
\$25,000-\$29,999	665	.04
\$30,000-\$34,999	668	.04
\$35,000-\$39,999	636	.04
\$40,000-\$44,999	753	.05
\$45,000-\$49,999	531	.03
\$50,000-\$59,999	1,109	.07
\$60,000-\$99,999	3,876	.24
\$100,000-\$149,999	3,094	.19
\$150,000-\$199,999	1,185	.07
\$200,000 or more	1,211	.07
TOTAL	16,388	1.01*

Median Household Income \$69,254

Source: 2000 Census of Population and Housing

*Does not add up due to rounding.

D. Age

The age of the West Orange population has been discussed under Section III, Demographic Characteristics, A. Population.

E. Marital Status

In 2000, there were more women than men over the age of 15 years in West Orange. There were 241 more males that never married. There were 2,201 more widows than widowers and more divorced females than males.

TABLE 15

Sex by Marital Status - Persons 15 Years and over

Marital Status	Total	Male	Female
Total	36,038	16,529	19,509
Never Married	9,011	4,630	4,381
Now Married	21,570	10,626	10,944
Widowed	3,145	472	2,673
Divorced	2,312	801	1,511

Source: 2000 Census of Population and Housing

IV. EXISTING AND PROBABLE FUTURE EMPLOYMENT CHARACTERISTICS

Of the 21,900 West Orange residents employed in the civilian labor force, 56 percent are in educational, health and social service occupations or agriculture, construction, manufacturing, wholesale trade, retail trade, transportation fields or finance, insurance and real estate industries.

TABLE 16

Occupation

Employed Persons 16 Years and Over

	Male	Female	Total
Finance, insurance, real estate	1,265	1,203	2,468
Agriculture, construction, manufacturing, wholesale trade, retail trade, transportation	4,774	2,324	7,098
Information	634	362	996
Arts, entertainment, recreation, accommodation and food services	803	497	1,300
Professional, scientific and technical services	1,528	1,484	3,012
Educational, health and social services	1,521	3,628	5,149
Public administration	511	384	895
Other services	414	568	982
Total	11,450	10,450	21,900

Source: 2000 U.S. Census of Population and Housing

As to future employment outlook within West Orange, the Township sees jobs increasing slightly. As to employment trends, West Orange anticipates new medical and institutional buildings coming on-line. There are no unexpected employment trends given the present state of the economy.

According to the New Jersey State Data Center, West Orange had a covered employment number of 16,173 in 2006.

V. TOTAL OBLIGATION FROM PRIOR ROUNDS

A. Rehabilitation Share

West Orange has a 324 unit rehabilitation obligation.

B. Total Obligation From Prior Rounds

West Orange has a total obligation from prior rounds of 226 units.

VI. GROWTH SHARE OBLIGATION

West Orange accepts the Growth Share obligation of 341 units that resulted from the household and employment projections in Appendix F of COAH's rules. COAH projected 934 new households and 2,475 new jobs between 2004 and 2018.

VII. ANALYSIS OF EXISTING AND FUTURE ZONING

The existing zoning can accommodate the proposed growth based on the affordable options selected. No further analysis is necessary.

A. Availability of existing and planned infrastructure

The Township of West Orange has adequate sewer capacity and water supply consistent with the West Orange Zoning Ordinance and the Land Use Element of the Master Plan.

B. Anticipated demand for types of uses permitted by zoning based on present and anticipated future demographic characteristics

The Township of West Orange anticipated the demand for types of uses permitted by zoning based on present and anticipated future demographic characteristics of the municipality. The town is presently anticipating the growth of the student population for the next 10 years by building a new middle school of 144,000 square feet and an expansion on all of the grammar schools, existing middle schools and the high school. This analysis was based on West Orange's demographics and anticipation of development and redevelopment. All services in town, including fire and police, are adequate for future anticipated development.

C. Anticipated land use patterns

The West Orange Township Planning Board approved the Re-examination Report in January 2004. In the Land Use Recommendation Section, several land use concepts were considered including cluster housing developments, transfer of development rights (TDR), buffering and the protection of natural features and steep slopes.

D. Economic development policies

West Orange continues to experience development and redevelopment of commercial and retail areas. The commercial districts provide both neighborhood and regional shopping opportunities. The West Orange Township Master Plan and Land Use Plan have long recognized the unique commercial needs and opportunities along the Main Street/Valley Road Corridor. Most recently, the adoption of the Downtown Redevelopment Plan set forth a vision for revitalizing the most important historic section of town.

E. Constraints on development policies

1. State and federal regulations: West Orange is not located in the Highlands area, CAFRA, the Meadowlands or the Pinelands. There are no federal regulations that constrict development.

2. Land ownership patterns: Seventy percent of the housing in West Orange is owner occupied and approximately 30 percent of the housing stock is rental. There are 16,825 structures in town. More than 75 percent of the housing structures were built prior to 1970.
3. Incompatible land uses: In West Orange's 2004 Reexamination Report, zoning recommendations were made regarding land uses. None of the recommendations included affordable housing as an incompatible use.
4. Sites needing remediation: At this time, no super fund sites in need of remediation are located in town.
5. Environmental constraints: Slopes limit the use of land and are an important consideration in land use planning. More available land has remained undeveloped compared to the surrounding towns because West Orange is built on two mountains.
6. Existing or planned measures to address any constraints: No measures are available.

FAIR SHARE PLAN

**WEST ORANGE TOWNSHIP
ESSEX COUNTY**

I. PREFACE

A municipality's affordable housing obligation is cumulative, and includes affordable housing need for the period 1987 to 2018. The affordable housing obligation consists of three components:

- Rehabilitation Share (2000)
- Prior Round Obligation (1987-1999)
- Growth Share (1999-2018)

Under growth share, municipalities determine their 1999 to 2018 new construction or "growth share" obligation, by applying the following ratios:

- For every five market-rate residential units constructed from January 1, 2004 to January 1, 2018, a one-unit affordable housing obligation is generated.
- For every 16 jobs resulting from new or expanded non-residential construction within the municipality from January 1, 2004 to January 1, 2018, based on the conversion factors found in Appendix D of the third round rules, a one-unit affordable housing obligation is generated.

These two components are then added together to arrive at the total growth share obligation.

A municipality's Rehabilitation Share is a measure of old, crowded, deficient housing that is occupied by low- and moderate-income households. Rehabilitation Share numbers from each prior round are replaced with the latest round number because the numbers are updated with each decennial census.

A municipality may receive credit for rehabilitation of low- and moderate-income deficient housing units completed after April 1, 2000 provided the units were rehabilitated up to the applicable code standard, the capital cost spent on rehabilitating a unit was consistent with COAH rules and the units have the appropriate controls on affordability to ensure the unit remains affordable during the required period of time.

Rehabilitation credits cannot exceed the Rehabilitation Share and can only be credited against the rehabilitation component, not the new construction component.

The prior round obligation is the municipal new construction obligation from 1987 to 1999. All municipalities participating in the COAH process must use these figures. COAH continues to offer credits, reductions, and adjustments that may be applied against the Prior Round Obligation (1987-1999) for affordable housing activity undertaken from 1980 to 1999.

II. REHABILITATION SHARE

A. COAH REQUIREMENTS

The purpose of a rehabilitation program is to renovate deficient housing units. Deficient housing units are defined as units with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing, (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems. Upon rehabilitation, the housing deficiencies must be corrected and the unit must comply with the applicable code standard.

A municipality must demonstrate that it has the capability to administer a rehabilitation program by either designating an experienced employee to administer the program or entering into an agreement with a governmental agency or private consultant to administer all or some of the program. A municipality must provide the consultant or municipal employee's credentials to administer the program as well as a procedures manual. If the county is administering the rehabilitation program, the municipality must submit a statement from the county agreeing to adhere to applicable COAH rules and acknowledging sufficient funding.

Rental units cannot be excluded from a municipal rehabilitation program. There must be at least 10-year affordability controls placed on both owner-occupied units and rental units. For owner-occupied units, these controls may be in the form of a lien filed with the appropriate property's deed. For rental units, the controls must be in the form of a deed restriction and may also include a lien. Units rehabilitated after April 1, 2000 are eligible for credits against the third round Rehabilitation Share.

The municipal investment in hard costs for the rehabilitation of a unit must be at least \$10,000 per unit. Documentation must be submitted demonstrating adequate funding source(s) and a resolution of intent to bond in the event there is a shortfall of funds. Financing of rehabilitation programs must be structured to encourage rehabilitation and continued occupancy.

A municipality is also required to prepare and submit a rehabilitation manual to COAH that summarizes the administration of the rehabilitation program including an affirmative marketing plan. The affirmative marketing program must clearly describe the outreach efforts to be used in implementing the program. COAH expects that a combination of media approaches – cable television, radio and print – plus appropriate mailing to residents, local civic, social and religious groups will be included in the marketing program.

B. WEST ORANGE PROGRAM

West Orange has a Rehabilitation Share of 324 units.

West Orange established a rehabilitation program called the Township of West Orange Housing Rehabilitation Program (WOHRP) in 1999 to address its prior round rehabilitation obligation and the program continues in place. The program is funded through developer fees from the township's affordable housing trust fund. The program is designed to provide home improvement funds for the abatement of code violations on owner-occupied single family homes, owner-occupied multi-family homes and investor-owned rental housing. All participants must be income eligible and the housing must contain at least one substandard major system and be raised to code standard after rehabilitation. West Orange places a life lien on rehabilitated homes as per WOHRP Policy and Procedure Manual.

A copy of the Township of West Orange WOHRP policy and procedure manual is on file with COAH.

Between April 2000 and October 15, 2008 West Orange completed 188 units of rehabilitation with an average hard cost expenditure of \$15,000.

III. PRIOR ROUND OBLIGATION

COAH has determined that West Orange's Prior Round Obligation is 226 units.

With a Rehabilitation Share of 324 units, West Orange has a pre-credited need of 550 units.

A. Rental Obligation and Rental Bonuses

West Orange has a rental obligation of 20 units and may receive 20 rental bonuses.

B. Maximum Age-restricted Units.

A municipality may receive credit for age-restricted units according to the COAH formula:

West Orange is eligible to age-restrict 53 units for COAH credit after subtracting prior cycle credits and adding in the balance of the rehabilitation obligation.

C. Implementation

West Orange received substantive certification from COAH on October 11, 1995 that was extended to December 20, 2005 on February 9, 2005. COAH determined West Orange's prior round obligation to be 226 units.

West Orange was certified with 147 prior cycle credits. However, West Orange has learned that the three-bedroom ARC group home actually has four bedrooms. As such, West Orange is requesting 148 prior cycle credits.

The following chart presents the plan to address the 226 unit prior round obligation:

Prior Round Plan	Type	Units
Prior Round Credits	Group Home & Age-Restricted Rentals	148
Woodland Valley Senior Homes	Age-Restricted Rentals	53
30-32 Kingsley	Group Home	8
1 Marmon Place	Group Home	6
4 Wedgewood Drive	Group Home	4
Rental Bonus		7
TOTAL		226

IV. GROWTH SHARE OBLIGATION

The Fair Share Plan includes the projects and strategies to address an affordable housing obligation and any municipal ordinance in draft form that a municipality is required to adopt as a requirement of certification. The planning board adopts the Fair Share Plan and it is endorsed by the governing body prior to the petition for substantive certification. The proposed implementing ordinances may be adopted prior to substantive certification but in any event must be adopted no later than 45 days after COAH grants substantive certification.

The Fair Share Plan consists of a proposal on how a municipality intends to provide for its affordable housing obligation. Once certified, the plan will be monitored by COAH to verify that the construction or provision of affordable housing is in proportion to the actual residential growth and employment growth. Zoned sites addressing a prior obligation will also be reviewed at these intervals.

COAH rules have a number of different provisions regulating the development of affordable housing. The options available to meet the 1999-2018 fair share obligation include:

- Municipal zoning
 - Zoning for inclusionary developments
 - Adoption of a growth share ordinance
 - Redevelopment districts/sites
- Municipally sponsored new construction and 100 percent affordable developments
- Alternative living arrangements
 - Permanent supportive housing (where the tenant has a lease and support services are provided)
 - Group homes
 - Congregate housing
 - Residential health care facilities
- Accessory apartments
- Market to Affordable program of for-sale market-rate units
- Municipally sponsored rental program

- ECHO (elder cottage housing opportunities) housing
- Assisted living residences
- Affordable housing partnership program
- Expanded crediting opportunities
- Extension of affordable units with expiring controls
- Age-restricted housing
- Rental housing with bonus credits
- Very low-income housing with bonus credit

A. Growth Share Obligation

COAH has given West Orange a targeted growth share number of 341 units.

B. Rental Obligation

West Orange has an 86-unit rental obligation.

Only one-half of the rental obligation may be age-restricted. Any rental units open to the general public that are in excess of 86 units are eligible for rental bonuses.

C. Maximum Age-Restricted Units

West Orange may age-restrict 85 units.

D. Fair Share Plan

West Orange is addressing its Growth Share obligation with the following:

Name	Type
Woodland Valley Senior Homes	Age-restricted Rentals
97 Edgewood Avenue	Group Home
525 Pleasant Valley Way	Group Home
19 Dogwood Drive	Group Home
2 Merrywood Drive	Group Home
Habitat for Humanity	For Sale Homes
Freeman Place and Union Street	Group Homes
39 Washington	Family Rentals
158 Main Street	Family Rentals
Sunrise	Bedrooms
Prism Group Home	Bedrooms
152 Main Street	Family Rentals
Tompkins Street	Bedrooms
Market to Affordable	Family Rentals
Accessory Apartments	Family Rentals
New Construction	Age-Restricted Rentals

Prism	Family Sales
Bonuses	Rentals

The Spending Plan follows.

Attached as Appendices are the COAH Application, the Checklists, the draft Accessory Apartment Ordinance, the draft Development Fee Ordinance, the Affordable Housing Ordinance and the Project/Program Information Forms.